GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

A.P. State Beverages Corporation Limited – Conferred upon statutory status to implement welfare schemes – Fund raising through issuance of Non Convertible Debentures (NCDs) – Appointment of M/s Trust Investment Advisors Pvt. Ltd., Mumbai as Merchant Banker and Arranger – Permission / approval – Accorded - Orders – Issued.

REVENUE(EXCISE)DEPARTMENT

G.O.Ms.No.23 **Dated:21.01.2022**
Read the following:

1) G.O.Ms.No.98 Revenue (Excise-II) Dept dated 10.03.2016.
2) G.O.Ms.No.423 Revenue (Excise-II)Dept dated 30.09.2019.
3) G.O.Ms.No.294 Revenue (Excise)Dept dated 01.10.2020.
4) Lr.No.APSBCL/F&A/NCDs/2021-22 dated 17.01.2022 of CDB & MD., APSBCL.

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ORDER:

The A.P. State Beverages Corporation Limited has been registered under the Companies Act, 2013 with the main objects, inter-alia, of conducting wholesale and retail trade in IMFL & FL in the State. The company has been entrusted with certain activities relating to wholesale trade, export and import of IMFL & FL and is allowed 0.5% remuneration vide the reference 1st read above. Further, it has been granted exclusive privilege of conducting retailing in IMFL & FL in the State w.e.f.01.10.2019 and is allowed 6% margin towards retailing expenditure.

2. The Government have amended the Andhra Pradesh (Regulation of Trade in Indian Made Foreign Liquor, Foreign Liquor) Act, 1993 conferring statutory status upon the Corporation to implement various welfare programmes benefiting the members of the Scheduled Castes, Scheduled Tribes and Backward Classes, apart from the existing objects of the Company. The Corporation has secured amendments to its Memorandum of Association accordingly. However, the revenues generated by the Corporation are too meagre to implement the welfare schemes namely, YSR Cheyuta, YSR Asara, Jagananna Ammavodi entrusted under the statute.

3. Therefore, the Commissioner of Distilleries & Breweries and Managing Director, A.P. State Beverages Corporation Limited has submitted a proposal in the reference 4th read above stating that out of the various fund raising options considered, Debentures is the widely used option by the Government organizations. Accordingly, the Company has proposed to offer for subscription, on private placement basis, non-convertible Bonds, under APSBCL Bonds Series with tenure sequentially ranging from 2 years to 10 years, aggregating up to a minimum of Rs.2,000 Cr with a Green Shoe option to retain oversubscription and requested to accord permission for issuance of Non-Convertible Debentures.

4. The Commissioner of Distilleries & Breweries and Managing Director, A.P. State Beverages Corporation Limited has further informed that as per the Audit advice to appoint a Merchant Banker, the Corporation has selected M/s. Trust Investment Advisors Pvt. Ltd., Mumbai as Merchant Banker cum Arranger for the proposed bond issuance for an Arranger Fee of 1.44% + GST as applicable on the amount mobilized and requested for approval.

P.T.O

5. The Government after careful examination of the matter hereby accord permission i) to the A.P. State Beverages Corporation Limited, to offer for subscription, on private placement basis, to the eligible investors in the domestic financial market, secured, rated, listed redeemable, taxable, non-convertible Bonds, under A.P. State Beverages Corporation Ltd., Bonds Series I 2021-22, in the nature of Debentures, comprised of nine sub-series namely 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H', and 'I' with tenure sequentially ranging from 2 years to 10 years, redeemable in equal proportion ("Bonds") of face value of Rs. 10,00,000/-(Rupees Ten Lakhs only) each or multiple thereof aggregating upto minimum of Rs, 2000 crores with Green Shoe option to retain over subscription. ii) and to accord approval for selection of M/s. Trust Investment Advisors Pvt. Ltd., Mumbai as Merchant Banker cum Arranger for the proposed bond issuance for an Arranger Fee of 1.44% + GST as applicable on the amount mobilized.

6. The Commissioner of Distilleries & Breweries and Managing Director, A.P. State Beverages Corporation Limited shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Commissioner of Distilleries & Breweries and Managing Director,
A.P. State Beverages Corporation Limited, Vijayawada.

Copy to:
The Commissioner of Prohibition & Excise, A.P., Vijayawada.
The General Administration (Cabinet) Department.
The PS to Principal Secretary to C.M.
The PS to the Chief Secretary to Government.
The PS to the Special Chief Secretary to Govt., Revenue (P&E and R&S) Dept.
SF/SC.

//FORWARDED :: BY ORDER //

S.E Aravind
SECTION OFFICER.